

EXHIBIT A

**CORPORATE INTEGRITY AGREEMENT
BETWEEN THE
OFFICE OF INSPECTOR GENERAL
OF THE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
AND
DENISE M. PERONE, M.D.**

I. PREAMBLE

Denise M. Perone, M.D. ("Perone") hereby agrees to enter into this Corporate Integrity Agreement ("Agreement") with the Office of Inspector General of the United States Department of Health and Human Services ("OIG") to ensure her compliance with the requirements of Medicare, Medicaid and all other Federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)) by Perone, by any corporation in which she is an owner or has a control interest as defined in 42 U.S.C. § 1320a-3(a)(3), her employees, and all third parties with whom Perone may choose to engage to act as billing or coding consultants for Perone. Perone's compliance with the terms and conditions in this Agreement shall constitute an element of Perone's present responsibility with regard to participation in the Federal health care programs. Contemporaneously with this Agreement, Perone is entering into a Settlement Agreement with the United States, and this Agreement is incorporated by reference into the Settlement Agreement.

II. TERM OF THE AGREEMENT

Except as otherwise provided, the period of compliance obligations assumed by Perone under this Agreement shall be five (5) years from the date of execution of this Agreement. The effective date of this Agreement will be the date on which the final signatory of this Agreement executes this Agreement.

III. CERTIFICATION AND NOTICE OF EMPLOYMENT STATUS

Perone represents and certifies that she is currently employed as a W-2 employee of the State of Ohio in a public psychiatric hospital, and that she no longer practices

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medicine in a private medical practice, nor is she employed or self-employed in any other health care related occupational activity outside the scope of her employment as a W-2 employee for the State of Ohio.

If, at any time during the term of this Agreement, Perone becomes employed or self-employed in any health care related occupational activity outside the scope of her employment as a W-2 employee for the State of Ohio, then she agrees that she will: (1) provide written notification to the OIG at least fifteen (15) calendar days prior to commencing the new employment or self-employment; and (2) at the OIG's discretion, enter into a modified Corporate Integrity Agreement with the OIG, containing terms acceptable to the OIG, for a period equal to the remaining term under this Agreement. A failure to enter into a modified Corporate Integrity Agreement with the OIG as described immediately above, will be deemed a breach of this Agreement sufficient to constitute an independent basis for Perone's exclusion from participation in Medicare, Medicaid, and all other Federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)), as described below in the Breach and Default provisions.

In the event that Perone ceases to practice medicine and does not engage in any other health care related occupational activity involving Medicare, Medicaid or any other Federal health care program (as defined in 42 U.S.C. § 1320a-7b(f)), then, upon Perone's notice of same to the OIG, Perone and the OIG may modify this Agreement upon mutual written consent.

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EXHIBIT A**IV. TRAINING**

Perone agrees that annually for the term of this Agreement, whether at her own expense or otherwise, she will attend at least twelve (12) hours of training courses conducted by the Medicare carrier and/or Medicaid agency for the jurisdiction in which she practices medicine or engages in any other health care related occupational activity involving Medicare, Medicaid or any other Federal health care program (as defined in 42 U.S.C. § 1320a-7b(f)). The training course shall be designed to ensure that she understands all applicable health care laws with which she is expected to comply.

The substance of these training programs shall include, at a minimum, the following: (1) all applicable rules, regulations and guidelines regarding Medicare, Medicaid and other Federal health care program billing, reimbursement and fraud and abuse; (2) the personal obligation of any individual involved in the billing process to ensure that such billings are accurate; and (3) the legal sanctions for improper billings and examples of improper billing practices. In the event that the applicable Medicare carrier or Medicaid agency does not offer the necessary training, then Perone shall procure the training from another qualified source.

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EXHIBIT A**V. ANNUAL REPORTS**

On or before the first, second, third, fourth and fifth anniversary dates of this Agreement, Perone shall submit an Annual Report to OIG at:

Civil Recoveries Branch - Compliance Unit
Office of Counsel to the Inspector General
Office of Inspector General
U.S. Department of Health and Human Services
Cohen Building, Room 5527
330 Independence Avenue, S.W.
Washington, D.C. 20201
telephone - 202-619-2078; fax - 202-205-0604

Each Annual Report shall include a certification by Perone that she has completed the training required by this Agreement and shall include the syllabus/syllabi of such training. In addition, each Annual Report shall include a certification by Perone confirming her current employment status, specifically, the name of her employer, whether she is a W-2 employee or is self-employed, and any other any other health care related occupational activity in which she is employed or self-employed. This disclosure in the Annual Report does not relieve Perone of the responsibility to give the OIG advance notice of changes in her health care related occupational activity, as outlined above under the Certification and Notice of Employment Status provisions.

VI. BREACH AND DEFAULT PROVISIONS

The Parties agree that a breach of this Agreement by Perone constitutes an independent basis for Perone's exclusion from participation in Medicare, Medicaid, and all other Federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)). Upon a determination by the OIG that Perone has materially breached this Agreement, the OIG may exclude Perone from participation in the Medicare, Medicaid and all other Federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)). OIG will notify Perone in writing of its determination to exclude Perone (this letter shall be referred to hereinafter as the "Exclusion Letter"). The exclusion shall go into effect thirty (30) days after the date of the Exclusion Letter. The exclusion shall have national effect and will also apply to all other federal procurement and non-procurement programs. If Perone is excluded

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under the provisions of this Agreement, Perone may seek reinstatement pursuant to the provisions at 42 C.F.R. §§ 1001.3001-3004.

In addition, if Perone is excluded under the provisions of this Agreement, Perone shall be afforded certain review rights comparable to the ones that are provided in 42 U.S.C. § 1320a-7(f) and 42 C.F.R. Part 1005 as if they applied to the exclusion sought pursuant to this Agreement. Specifically, the OIG's determination to seek exclusion shall be subject to review by an ALJ and, in the event of an appeal, the Departmental Appeals Board ("DAB"), in a manner consistent with the provisions in 42 C.F.R. §§ 1005.2-1005.21. Notwithstanding the language in 42 C.F.R. § 1005.2(c), the request for a hearing shall be made within thirty (30) days of the date of the Exclusion Letter.

Notwithstanding any provision of Title 42 of the United States Code or Chapter 42 of the Code of Federal Regulations, the only issue in a proceeding for exclusion based on a material breach of this Agreement shall be whether Perone was in material breach of this Agreement.

For purposes of the exclusion herein, exclusion shall take effect only after an ALJ decision that is favorable to the OIG. Perone's election of its contractual right to appeal to the DAB shall not abrogate the OIG's authority to exclude Perone upon the issuance of the ALJ's decision. If the ALJ sustains the determination of the OIG and determines that exclusion is authorized, such exclusion shall take effect twenty (20) days after the ALJ issues such a decision, notwithstanding that Perone may request review of the ALJ decision by the DAB.

The review by an ALJ or DAB provided for above shall not be considered to be an appeal right arising under any statutes or regulations. Consequently, the parties to this Agreement agree that the DAB's decision (or the ALJ's decision if not appealed) shall be considered final for all purposes under this Agreement and Perone agrees to waive any right it may have to appeal the decision administratively, judicially or otherwise seek review by any court or other adjudicative forum.

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EXHIBIT A**VII. EFFECTIVE AND BINDING AGREEMENT**

Consistent with the provisions in the Settlement Agreement pursuant to which this Agreement is entered, and into which this Agreement is incorporated, Perone and the OIG agree as follows:

- (1) this Agreement shall be binding on the successors, assigns and transferees of Perone;
- (2) this Agreement shall become final and binding only upon signing by each respective party hereto; and
- (3) any modifications to this Agreement shall be made with the prior written consent of the parties to this Agreement.

IN WITNESS WHEREOF, the parties hereto affix their signatures:

DENISE M. PERONE, M.D.

msb
Date

6.4.99

Denise M. Perone M.D.
DENISE M. PERONE, M.D.

APPROVED AS TO FORM:

Date

6-5-99


Michael R. Burts
Counsel for Perone

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EXHIBIT A**OFFICE OF INSPECTOR GENERAL OF THE DEPARTMENT OF HEALTH AND HUMAN
SERVICES**

Date

5/21/99


Lewis Morris, Esquire

Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
U. S. Department of Health and Human
Services

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